

EXPORTS IN FIRST HALF OF 1963

Exports from Canada in the first six months of 1963 were the highest recorded for the first half of any year, according to figures released recently by the Dominion Bureau of Statistics. Domestic exports totalled \$3,120,400,000, or an increase of 6.5 per cent, over the January-June period of the preceding year when these amounted to \$2,930 million. There were gains in shipments to all main trading areas, in particular Britain and other Commonwealth countries and the United States.

The average level of export prices during the first half of 1963 was only about 1.2 per cent above that in the January-June period of 1962, while the index of physical volume increased some 5.4 per cent, indicating that the rise in the value of domestic shipments was attributable principally to the increased quantity of goods exported.

More exports went to other Commonwealth and preferential rate countries, mainly to Australia, the Republic of South Africa, India and to New Zealand, in the first half of this year than in the first six months of 1962. Larger shares went also to Britain, Japan, France and the Netherlands. The ratio of all exports taken by the United States declined to 57.4 per cent from 59.3 per cent in January-June 1962.

Newsprint remained Canada's chief export, though the value of shipments in the first six months of 1963 was slightly below \$350 million, representing a decrease of 3.4 per cent from the value of those in the first half of the preceding year. This was mainly owing to the after-effects of the Cleveland and New York newspaper strikes, though exports to Britain and Australia were somewhat less while those to Mexico, Colombia and India increased. Wheat, at \$304 million was second, a rise of 3.5 per cent, occasioned mainly by substantial increases in shipments to Britain, France, the Republic of South Africa and Venezuela. Sales to Communist China, West Germany and Belgium and Luxembourg, however, were much smaller than in the first half of last year. Softwood lumber exports rose 9.0 per cent, to \$196 million and wood pulp by 3.1 per cent to \$191 million. There were larger sales of lumber to the United States, Britain and Japan, and of wood pulp to Japan and West Germany. Aluminum shipments increased 13.9 per cent, to \$145 million, mainly to the United States and Britain, though Japan, Brazil and Mexico also increased their purchases. Crude petroleum shipments, all to the United States, rose 5.5 per cent to \$122 million. Exports of nickel and alloys advanced to \$103 million, a gain of 7.6 per cent, principally to the United States while nickel ores and concentrates rose sharply to \$82 million a gain of 26.9 per cent, due to increased deliveries to Britain, Norway and the United States.

For the first time over the past few years, shipments of radioactive ores and concentrates, principally uranium, showed a small increase, exports exceeding \$86 million in the first six months of 1963. Copper and alloys rose slightly to \$81 million, while asbestos declined 3 per cent to \$56 million. Haying, harvesting and related machinery, natural

gas, fertilizer materials, whisky and medical and optical equipment all showed substantial gains for the first six months of this year while exports of aircraft and parts were a quarter less.

CANADA WITHDRAWS OVERFLIGHT CHARGE

The Minister of Transport has announced the decision to withdraw temporarily the air services Route Facility Fee, which was imposed in January 1960 under the authority of an amendment to the Air Services Fees Regulations adopted by Order-in-Council in November 1960. The charge amounting to \$64.00, was imposed on each aircraft "overflying" Canada and using Canadian air navigation and "en route" facilities and services during a trans-atlantic or trans-polar flight. This measure had been taken because of the changing pattern of north Atlantic flying, in which most of the flights between North America and Europe were operating non-stop; the fee was introduced so that Canada would have recovery from these non-stop flights, which were relying on and making full use of Canadian ground facilities and services without actually landing at a Canadian airport.

While a number of airlines paid the charge, others refused to do so and in two cases legal proceedings had been instituted against the delinquents.

LEGALITY QUESTIONED

Since there was some question of the legal validity of the basis for the charge, the legal aspects of the matter were reviewed and it was concluded that there was serious doubt that existing legislation was adequate to support the charge in its present form. A decision has, therefore, been taken to withdraw the present charge, to discontinue the court action against the two airlines in question, and to make refunds to those airlines that have paid the charge.

The Minister added that, in his view, the charge in question was entirely consistent with the Convention on International Civil Aviation and that Canadian taxpayers should not be called on to subsidize foreign airlines whose aircraft did not land in Canada by providing free the air-navigation facilities and services without which it would be impossible for them to cross the North Atlantic in safety. He stated that he intended to submit to Parliament, as soon as possible, proposals for legislation to remedy this situation.

STAMPS FOR 1964

Ten new postage stamps will be issued by Canada Post Office in 1964, it has been announced by Postmaster General Azellus Denis.

The first to go on sale to the public probably on February 5, will be a regular stamp of the 7¢ denomination, intended basically for air-mail postage. This issue will replace the present "blue goose" air-mail stamp, which has been in use since November 1952.